



## AGENDA

Solent Local Enterprise Partnership

Meeting of the Finance, Funding and Performance Management Group (FFPMG) to be held virtually on  
Thursday 29 February 2024, 10:00-12:30

Item	Title	Time
1.	Introductions and apologies for absence	10:00 - 10:10
2.	Notes of the previous meeting of 20 November 2023, matters arising and declarations of interest	
3.	Update from Scheme Lead - North Whiteley	10:10 - 10:40
4.	Finance, Funding and Performance Management Report <ul style="list-style-type: none"><li>• Current year budget position</li><li>• Future years financial forecasts</li><li>• Consideration of local growth programmes including Local Growth Deal and Getting Building Fund</li><li>• Review of corporate risk register</li><li>• Review of project and service delivery risk register</li></ul>	10:40 - 11:40
5.	Internal Audit Update	11:40 - 12:10
6.	2023/24 Annual Report preparation	12:10 - 12:20
7.	Any Other Business	12:20 - 12:30



**Solent Local Enterprise Partnership**

**Funding, Finance Performance Management Group (FFPMG) Meeting**

Held on Monday 20 November 2023 via video conference facilities.

12:00-12:30

<b>Present</b>	<b>In Attendance</b>
David Youngs	Kate Cloud
Nick Loader (Chair)	Paul Somerset
Salli Shapcott	Nicola Twiddy (minute taker)
Richard Jones	Lloyd Clark
James Fitzgerald	Stuart Baker
<b>Apologies</b>	<b>Guests</b>
Graham Barnetson	

<b>Item</b>		<b>Action</b>
<b>1.</b>	<b>Introductions and apologies for absence</b> The Chair welcomed everyone to the meeting.  Apologies were noted from Graham Barnetson.	
<b>2.</b>	<b>Notes of the previous meeting of 14 September 2023, matters arising and declarations of interest</b>  <u>Notes of the previous meeting of 14 September 2023</u> The meeting notes from the meeting on 14 September 2023 will be reviewed at the next meeting.	
<b>3.</b>	<b>Portsmouth, Southampton and Isle of Wight Business Growth Fund Proposal</b>  The paper was taken as read and Richard Jones provided an update. To support the Chief Executives at Portsmouth, Southampton and Isle of Wight Councils, a proposal for a Portsmouth, Southampton and Isle of Wight Business Growth Fund Proposal has been drafted for consideration at the Local Authority Cabinet meetings for Portsmouth, Southampton and Isle of Wight Councils in January 2024. The final draft of the proposal will be shared with the LEP Board ahead of finalising.  FFPMG Members: <ul style="list-style-type: none"><li>• <b>Agreed</b> to provide any further comments on the Portsmouth, Southampton and Isle of Wight Business Growth Fund Proposal to the Executive by the end of the week, and</li><li>• <b>Agreed</b> for the proposal to be shared in draft form with the 3 Local Authority Chief Executives in advance of the Cabinet meetings in January to enable initial feedback to be provided.</li></ul>	<b>FFPMG Executive</b>
<b>4.</b>	<b>Finance, Funding and Performance Management Report</b> The paper was taken as read and a project update was provided on Appendix G.	

	<p>FFPMG Members:</p> <ul style="list-style-type: none"><li>• <b>Considered</b> the project update at Appendices G and <b>Agreed</b> the associated recommendations.</li></ul> <p>All other recommendations in the paper will be taken forward to the next FFPMG meeting.</p>	<p><b>LEP Board</b></p> <p><b>Executive</b></p>
<p><b>5.</b></p>	<p><b>Any Other Business</b></p> <p>The agenda for the LEP Board Strategy Session in December was discussed and feedback received.</p> <p>The Executive will canvass for the next meeting in February 2024.</p> <p>No further business, meeting was closed.</p>	<p><b>Executive</b></p>

**Meeting closed at 12:30**

**29.02.2024**

**Item 3**

**North Whiteley Scheme Update**

**A presentation and confidential report will be  
considered at the meeting**

**Item Number:** 4  
**Item Title:** Solent LEP Finance and Funding Report  
**Meeting Date:** 29 February 2024  
**Purpose:** For Information, Advice and Decision

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Confidential information has been removed from this report.

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

- information relating to an individual, and/or;
  - relating to the financial or business affairs of a particular person.
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## **1. Introduction**

- 1.1 This report provides the Finance, Funding, and Performance Management Group (FFPMG) with the financial position of the existing LEP Corporate Plan to 31<sup>st</sup> January 2024 and the forecast outturn to the 31 March 2024.
- 1.2 In line with the LEP Integration timetable, the budgets for future years have been separated into funding that has currently been agreed as Solent Partners activity and funding that is subject to disaggregation. These budgets are attached at Appendices B2 and B1 respectively.
- 1.3 FFPMG members are advised that there are still a range of discussions ongoing with the Accountable Body and the four Upper Tier Local Authorities (UTLAs) and the outcome of these discussions may mean that some areas of funding could still switch between the two future year budget forecasts.
- 1.4 The opening budgets are as agreed at the LEP Board meeting on 8 December 2023. The report sets out the expenditure to date and projected outturn which includes the latest positions of the Corporate Plan and an update on the tail end of the two major funding programmes, the Local Growth Deal and the Getting Building Fund.
- 1.5 The report and dashboard set out the major variances and/or reprofiling in line with the proposed budget separation as well as the key risks for the Board to consider and recommends action where appropriate to ensure that all the LEP's funds are managed proactively and mitigate the potential to have to return any funding to Government.

## **2. Recommendations**

- 2.1 It is recommended that the FFPMG:

- (i) **Note** the update on the LEP integration detailed in paragraph 3 and the update provided at the meeting.
- (ii) **Note** the proposed separation of budgets from 1 April 2024
- (iii) **Endorse** the revised budget for 2023/24 of £4,289,665 as set out in Appendix A1 and the revised indicative budgets for the period 2024/25 to 2025/26 as set out in appendices B1 and B2 which includes the following:
  - The forecasted budget for the LEP funds to be disaggregated across the four Solent Upper Tier Authorities.
  - The forecasted budget for Solent Partners post 31<sup>st</sup> March 2024
  - The movement of funds from Solent LEP to Solent Partners to support the forecasted budget post 31<sup>st</sup> March 24.
  - The current position of the LEP Loan Funds available as summarised in appendix D.
  - The latest position of the Local Growth Deal and Getting Building Funds as set out in appendices E1 and E2 respectively.
  - The re-profiling and budget movements as set out in the table in the financial dashboard in Appendix A.

FFPMG are also asked to:

- **Note** and **Agree** the Corporate and Strategic Risk Register attached at appendix C.
- **Consider** the high-level Risk Matrix for the Local Growth Programme attached at appendix F and delegate its **Approval** to the LEP Chief Executive and the Accountable Body's section 151 officer.
- **Note** the update on the key budget 2023/24 movements and associated issues in paragraph 4.
- **Consider** and **Agree** the recommended actions relating to Hampshire County Council A326 scheme at Appendix G.

### 3. **LEP Integration**

Following the HMG guidance published on 4 August 2023 in respect of the integration of LEP functions ([Guidance for Local Enterprise Partnerships](#)) there have been ongoing discussions with the four upper tier local authorities in the Solent area as well as the Solent LEP government lead regarding the assets that Portsmouth City Council hold on behalf of the LEP.

The Accountable Body have reviewed this position, and it is clear that a disaggregation of the assets will need to take place post 31 March 2024.

Discussions have taken place with the S151 Officers of Hampshire County Council and Portsmouth City Council to indicate the amount of the funding that could be available for disaggregation. Discussions have also taken place between the LEP Executive and counterparts at Portsmouth City Council (PCC), Southampton City Council (SCC), and Isle of Wight Council (IWC) to discuss the implications of disaggregation on Solent Partners and its subsidiaries.

At the time of writing, the talks with upper tier local authorities are ongoing with final disaggregation amounts still to be agreed as well as the apportionment method that could be used as part of any disaggregation.

Appendices B1 and B2 have been created to provide the FFPMG with an indication of which funding is likely to be subject to disaggregation and funding currently agreed to be transferred to Solent Partners

As it currently stands, other than staff who can be charged directly to agreed Solent Partners activities for which funding has been agreed, no future year operational costs have yet been included in the Solent Partners budgets from 2024/25 onwards. This represents a significant risk to the future of Solent Partners and discussions with the Accountable Body and the UTLAs are being progressed urgently to try to address this issue. It is anticipated there will be a verbal update on these discussions at the meeting.

In conjunction with the discussions on LEP assets available for disaggregation, there have also been talks regarding the delivery of the ongoing core functions of the LEP that are to be subsumed into the Upper Tier Authorities as well as the ongoing legacy monitoring of the Local Growth Deal and Getting Building Fund projects which is still a requirement of HMG. The three Solent Upper Tier Authorities (PCC, SCC, IWC) have proposed a commission-based approach to delivering these services via Solent Partners for future years which require approval via a cabinet decision by each of the three authorities. The outcome of the proposals is expected at the beginning of March.

Although LEP integration is expected to be in place by 1<sup>st</sup> April 2024, given the number of key outstanding decisions that need to be made particularly around the disaggregation of LEP assets, the Accountable Body produced two separate sets of budgets as attached at Appendices B1 and B2 to enable Solent Partners to plan for the future whilst decisions by the upper tier authorities are finalised.

Appendix B1 sets out the Solent LEP legacy assets that are potentially available for disaggregation (yet to be agreed) and the ongoing delivery of any core activities that could be commissioned to Solent Partners in the future pending the cabinet decisions cited above. Appendix B2 sets out the budget areas that will remain with Solent Partners and its subsidiaries. Both sets of budgets are discussed in more detail below and a short presentation will be provided at the meeting to explain the rationale behind the split.

### 4. **Current Financial Year - Solent LEP (Business as Usual)**

The revised budget and forecast outturn of £4,289,665 for the 2023/24 financial year reflects the latest status of the tails of the two major funding programmes as well as forecasts for other key areas of the Corporate Plan such as business support, skills and the Solent LEP subsidiary companies.

#### 4.1 **Key Budget Movements and Associated Issues - 2023/24**

The additional resources / budget re-profiling since the last meeting of the LEP Board on 08 December 2023 are set out in the financial dashboard in Appendix A.

##### Reprofiling

##### Solent Maritime and Decarbonisation Hub

The Solent LEP successfully bid for £400,000 of Solent Freeport Seed Capital Funding to contribute to the creation of a Solent Maritime and Decarbonisation Hub. The seed funding is complemented by a further £850,000 of LEP funding to provide a total funding pot of £1.25m. A funding agreement is awaited from Solent Freeport. All funding is capital and a proportion of this will be made available for the fitout of the Centre. Subject to the residual funding a further amount may be made available as a maritime SME grant programme which will be presented to the LEP Board at a later date.

Work has been progressing to agree heads of terms for the lease of space at the National Oceanography Centre. Alongside this, the LEP Executive is exploring alternative options that could deliver the Hub, to ensure that the project aligns with wider work in this arena and to ensure that impact and return on public funding is maximised. It is now expected that works on the fit out of the Hub will not start until summer 24, and therefore the remaining budget provision for the capital fit out works and the future operating costs have been reprofiled into the Solent Partners 2024/25 budget. The Accountable Body have already agreed that the Solent Maritime and Decarbonisation Hub funding is not part of the Solent LEP legacy funding available for disaggregation as is therefore available for Solent Partners to take the scheme forward.

A detailed update on the progress of the Hub is expected to be provided at the Solent LEP Board meeting in March.

##### Careers and Enterprise Company (CEC)

The LEP was awarded an additional £32,000 and £20,000 in funding from the CEC's Solent Primary Fund and Teachers Encounter Fund for the academic year 2023/24. The Solent Primary Fund is awarded to enable the Solent Careers Hub to reach primary schools across the Isle of Wight and Portsmouth, whilst the Teacher Encounters fund enables teachers to engage directly with employers to see and learn about different career pathways relevant to their subjects. The funding relies heavily on participation from schools in the Solent area and the Careers Hub have found that take up from the schools to be very limited. As a result, the funding has been reduced to £5,000 for the Solent Primary Fund and £1,500 for the Teachers Encounter Fund for the 2023/24 academic year.

As well as this, there has been turnover of existing staff and there is now a 0.4 FTE vacancy within the Hub that will not be recruited to before the end of the academic year. As a result, the grant allocation that is expected to be drawn down from the CEC will reduce. The CEC budgets have therefore been reprofiled accordingly to remove the funding from the budget.

##### Operational and Contingency Budgets

As we approach the end of the fiscal year, a review of the current operational and contingency budgets has been carried out. In circumstances where an underspend is forecasted on a 2023/24 operational or contingency budget line, the budget will be reprofiled into future years. Unless the budget line is specifically related to funding that has been specifically secured by Solent Partners, the underspend will move into the Solent LEP legacy budget under unallocated funding proposed for disaggregation.

#### 4.2 **Local Growth Deal and Getting Building Fund**

As the LEP Board will be aware, the Accountable Body used the Freedoms and Flexibilities available to it under the National Assurance Framework to allow tails of the Local Growth Deal (LGD) and Getting Building Funding (GBF) to continue past 31 March 2021 and 2022 respectively.

There remains a small tail on the LGD and GBF programmes now forecast into the 2023/24 and 2024/25 financial years of approximately £11m (6%) which consists mainly of the very final payments for the large multi-year transport schemes which are approaching completion and the remaining loan funding.

Due to significant delays with a number of LGD schemes highlighted in appendix F and a delay in issuing the new loan funding calls, the forecast expenditure of grant funding is now expected to be £277k in 2023/24 for LGD specific schemes. A further £82k is expected to be defrayed in terms of GBF grant funding in 2023/24 which relates to the Solent Maritime Innovation and Decarbonisation fit out works.

A detailed breakdown of the financial status of the entire LGD and GBF programmes are attached at appendices E1 and E2.

All the live projects in the LGD and GBF are included in the high-level delivery risk matrix at appendix F which includes the latest project updates, proposed mitigations, and a RAG rating with a direction of travel for FFPMG and Board members to consider and track the progress of the remaining projects.

It is currently assumed that the ongoing management of these projects would move to the Accountable Body who are the ultimate contracting party however there is an option to commission the management of these tails to Solent Partners as well as the ongoing monitoring of the respective funds which is a requirement of HMG.

#### 4.3 **Specific Project Updates by Exception**

There are a number of projects across a range of funding programmes where FFPMG need to consider updates and recommended actions from the LEP Executive and the Accountable Body. These are summarised below and, where the updates and actions are of a confidential nature, FFPMG members are redirected to the relevant confidential appendix

##### Hampshire County Council - A326

A confidential report on this scheme is provided under Appendix G. FFPMG members are asked to:

- **Consider** and **Agree** the recommended actions relating to Hampshire County Council A326 scheme at Appendix G.

#### 6. **Solent Partners Budget Forecasts 2024/25 to 2025/26**

An indicative future budget forecast for Solent Partners can be found in Appendix B2. The forecast assumes that all funding sourced outside of Solent LEP core activities remains with Solent Partners and the indicative budget has been provided to aid the future strategic planning of the organisation.

##### New funding

The Solent Partners Executive continue to explore new funding opportunities and the unsecured funding forecast section of the financial dashboard in Appendix A sets out future potential sources of funding (with RAG ratings) that could be made available going forward. It is vital that alternative future income sources continue to be identified as Solent Partners moves away from previous traditional sources of government funding following the Government's announcement on LEP integration.

##### Skills Bootcamps

Solent Partners have successfully secured £1.9m from the Department for Education (DfE) for Skills Bootcamps in the financial year 2024/25. The fund will run in tandem with the 2023/24 funding award of £1.24m that was recently granted an extension for delivery to September 24. Skills Bootcamps are free, flexible courses of up to 16 weeks for adults aged 19 or over and they are primarily aimed at delivering flexible training at levels 3-5 (medium to higher level technical skills), and level 2 in some sectors. They are co-designed or shaped with employers to respond to their skills shortages and the training is for adults who are either in work, self-employed, unemployed or returning to work after a break.

This new funding also covers the programme management costs that Solent Partners will be incurring for the delivery of the 2024/25 programme.

A transfer from 2023/24 contingency funds has also been made to the future budget forecasts for Solent Partners to allow for programme management of the 2023/24 programme to continue to September 24 as approved by the LEP Board. This was following delivery delays from the project starting later than anticipated whilst funding agreements were being issued by DfE.

##### Solent Freeport



Solent Partners have agreed to provide executive support to the Solent Freeport to help the Freeport deliver on their SEED Capital scheme funding programme. The funding will also cover administration support for the general day to day running of the organisation.

#### Isle of Wight - Ryde Towns Fund

The Government recently announced that Ryde will be 1 of 55 towns nationwide to benefit from £1.1 billion levelling up investment, as part of a long-term plan for the regeneration of towns. The money is intended to be spent on local people's priorities, like regenerating local high streets and town centres, improving transport and securing public safety.

Solent Partners has been commissioned to provide support to the Isle of Wight Council to establish a Towns Board by April 2024. Further funding could be commissioned to help develop and publish a Ten-Year Long-Term Plan for Ryde by Summer 2024, and to maintain the Towns Board for at least a ten-year period to deliver the Ten-Year Long-Term Plan for Ryde.

#### Ongoing Operational Costs

Whilst there is some revenue funding in the latest budget forecasts to cover some of the ongoing operational costs of Solent Partners, there are currently many operational budget headings lines that have no funding currently allocated to them. As flagged in paragraph 5, there is a reliance on Solent Partners being commissioned by the UTLA's and Accountable Body in relation to new programmes, and other legacy activities, and legacy funding linked to the capital programme to fund the ongoing operational costs of the relevant sections of the organisation. Without this Solent Partners will need to find alternative funding sources to meet their future budget pressures and/or reduce costs associated with relevant areas.

#### Solent Partner Subsidiaries

The budget forecasts for 2024/25 to 2025/26 are the group accountant forecasts for Solent Partners and its subsidiaries, MUK Solent and Solent Cluster. The Solent LEP Board have agreed to transfer capacity funding and any underwrites to the subsidiary companies in December 23. Detailed budget forecasts will be presented at future Board meetings once the respective subsidiary Boards have allocated the capacity funding to their respective budgets.

### **7. Financial Summary**

This paper firstly sets out the status quo position of the organisation for the 2023/24 financial year and sets out the key issues and associated risks especially in respect of the ongoing discussions regarding the impact of the integration of LEPs whilst still having to continue and deliver its core functions and contractual commitments in its current form up to 31 March 2024.

The current uncertainty around future funding for Solent Partners from 1 April 2024 presents a high risk for the organisation going forward and this is being articulated as a priority with both the Accountable Body and the leaders and CXs of the three Solent UTLAs.

It is likely that Solent Partners will require some interim funding from the funds expected to be disaggregated to provide certainty for their staff until a final position is agreed in the new financial year.

### **8. Equality impact assessment**

An EIA is not required at this stage. EIA's are not required for note items and, in relation to decisions, these relate to agreement of programme-wide budgets (as opposed to any new investment decisions) and internal risk registers.

### **9. Legal implications**

#### **Budget**

With reference to the recommendation at paragraph 2.1 (iii) above to:

*Endorse the revised budget for 2023/24 of £4,289,665 as set out in Appendix A1 and note the revised indicative budgets for the period 2024/25 to 2025/26:*

Portsmouth City Council's Section 151 Officer acts as the Chief Finance Officer (by the relevant delegation powers) for the Solent LEP and is in receipt of a general delegation from the Council in order to manage such matters.

### **LEP Integration**

Full legal advice must be sought (and recorded) on all of the integration aspects from both the Executive's own lawyers as well as in-house Accountable Body legal team.

### **New Funding**

With regards to income-generating activities referred to and Solent LEP taking a more commercial approach to selling services going forward, where Portsmouth City Council is required to act as Accountable Body, such commercial approach will need to be in accordance with the laws regarding local authority trading rules.

### **Individual Projects**

Specific legal commentary to be provided within the body of the reports of individual projects and any specific legal action referred to within these reports will be managed in accordance with the advice provided.

### **Risk Register**

With regards to matters referred to in the Risk Register, specific legal advice shall be sought relating to each project on a case-by-case basis, especially where the beneficiaries are not complying with the terms of the grant funding agreement and enforcement actions are being considered.

## **10. Financial comments from the S151 Officer of the Accountable Body**

All financial implications are included in the body of the report and the appendices.

Information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972 has been removed from this report including:

- information relating to an individual, and/or;
- relating to the financial or business affairs of a particular person.

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## Financial Dashboard

### Solent Partners and Solent LEP Corporate Plan 2023/24 Budget Forecast

Full Year Budget 2023/24 (As agreed at LEP Board 08 December 23)	Full Year Forecast and Proposed <u>Revised</u> Budget	Expenditure as at 31st January 2024 <i>(Figure does not include 22/23 accruals)</i>		Forecast Remaining Expenditure to 31st March 2024		Forecast Over / (Underspend) for the Year
£5,192,792	£4,289,665	£3,001,361	70%	£1,288,304	30%	£0

**Corporate Plan Expenditure Summary 2023/24**

Category	Actual To Date	Budget
Deliver	~1,200,000	~700,000
Collaborate	~300,000	~400,000
Lead	~400,000	~500,000
Advocate	~50,000	~100,000
Connect	~1,300,000	~2,800,000

**Corporate Plan Funding Summary 2023/24**

Funding Source	Amount
Growing Places Fund - Capital	£1,909,000
Local Growth Deal	£35,000
Recycled Loan funding	£30,000
Getting Building Fund	£0
Solent Freeport (MIH)	£10,000
Solent Freeport (Exec Support)	£12,049
CEC & Digital Skills	£0
Solent Growth Hub - BEIS	£0
Core Funding	£0
Interest Earned	£0
Solent Cluster Contributions	£0
Innovate UK - Decarbonisation Strategy funding	£0
Maritime UK Solent	£0
University of Southampton - Greenprint	£0
DFE Skills Bootcamps	£0

### Board Headlines:

#### New Funding & Reprofile of budget

		Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Total
<b>Budget Agreed at Board on 20 October 2023</b>		<b>£5,192,792</b>	<b>£32,825,578</b>	<b>£186,300</b>	<b>£38,204,670</b>
DFE Skills Bootcamps 2024/25	New - Partners	£0	£1,909,000	£0	£1,909,000
IWC - Ryde Town Fund	New - Partners	£0	£35,000	£0	£35,000
Solent Freeport (Exec Support)	New - Partners	£10,000	£30,000	£0	£40,000
MUK Solent Income Adjustment	Reprofiled - Partners	£-33,100	£12,049	£0	£-21,051
CEC External Funding / Clawback	Reprofiled - LEP	£-59,014	£8,330	£0	£-50,684
Digital Skills Partnership	Reprofiled - Partners	£-11,775	£11,775	£0	£0
Maritime Innovation Hub - Operational Costs	Reprofiled - Partners	£-35,400	£35,400	£0	£0
Maritime Innovation Hub - Capital	Reprofiled - Partners	£-630,000	£630,000	£0	£0
Contingency	Reprofiled - LEP	£-160,000	£160,000	£0	£0
LGD Refunds	Reprofiled - LEP	£-23,838	£23,838	£0	£0
Other Operating Costs	Reprofiled - Partners	£40,000	£-40,000	£0	£0
<b>Full Year Forecast and Proposed Revised Budget</b>		<b>£4,289,665</b>	<b>£35,640,970</b>	<b>£186,300</b>	<b>£40,116,935</b>

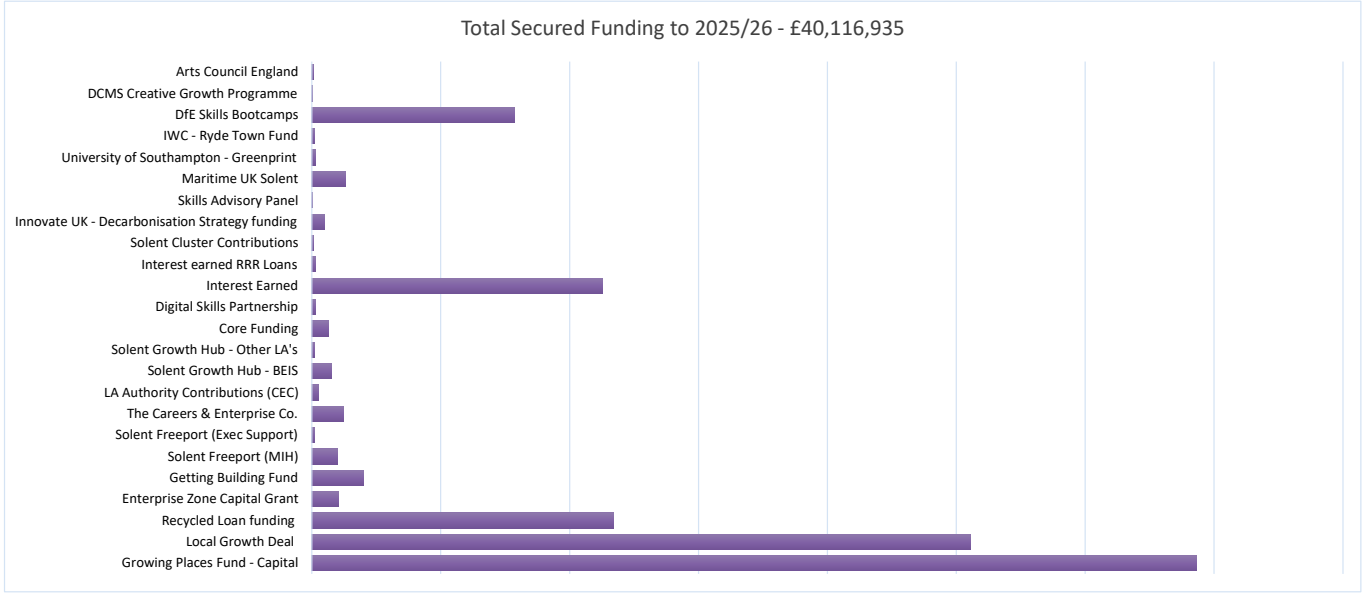
#### Delivery - Local Growth Deal and Getting Building Fund Update

Total Local Growth Deal Funding Received	£178,257,261
% of Funding Defrayed to Date	100%
Freedoms and Flexibilities Used	£17,562,250
Total Freedoms and Flexibilities (F&F) Funding yet to be defrayed	£10,215,351
F&F Expenditure Since 01 April 2023	£816,993

Total Getting Building Funding Received	£0
% of Funding Defrayed to Date	100%
Freedoms and Flexibilities Used	£2,004,844
Total Freedoms and Flexibilities (F&F) Funding yet to be defrayed	£797,501
F&F Expenditure Since 01 April 2023	£48,296

Solent Partners and Solent LEP Corporate Plan Future Year Forecasts to 2025/26

Corporate Plan - Budget Forecast				
Summary	Budget 2023/24	Budget 2024/25	Budget 2025/26	Total
Solent LEP Legacy Funding	£1,144,926	£31,274,506	£88,000	£32,507,432
Solent Partners	£3,144,739	£4,366,464	£98,300	£7,609,503
Total	£4,289,665	£35,640,970	£186,300	£40,116,935



SOLENT LEP CORPORATE PLAN - BUDGET FORECAST 2023/24							
Connect	Full Year Budget 2023/24*	Actual Expenditure up to 31 January 2024	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Acceleration or Programme Slippage to be transferred to Solent LEP Legacy Funding 2024/25	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Solent Freeport Skills Programme Management	0	0	0	0	0	0	0
Digital Skills Partnership	63,026	51,251	51,251	(11,775)	(11,775)	0	0
DfE Skills Bootcamps 2023/24	520,000	93,097	520,000	0	0	0	0
Solent Growth Hub	342,958	244,597	342,958	0	0	0	0
Enterprise Adviser Network	553,363	391,755	494,349	(59,014)	0	(516)	(58,498)
Skills Advisory Panels	250	65	250	0	0	0	0
Maritime Innovation Hub - Operational Costs	35,400	0	0	(35,400)	(35,400)	0	0
Maritime Innovation Hub - Capital	700,000	48,296	70,000	(630,000)	(630,000)	0	0
Solent Cluster	180,280	118,979	180,280	0	0	0	0
Solent Cluster - Capacity Future Years	218,000	0	218,000	0	0	0	0
Maritime UK Solent	382,100	303,898	349,000	(33,100)	(33,100)	0	0
Underwrite of Maritime UK Solent Funding	530,000	0	530,000	0	0	0	0
Creative and Cultural	59,500	36,252	59,500	0	0	0	0
Connect Total	3,584,877	1,288,190	2,815,588	(769,289)	(710,275)	(516)	(58,498)
Advocate	Full Year Budget 2023/24*	Actual Expenditure up to 31 January 2024	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Acceleration or Programme Slippage to be transferred to Solent LEP Legacy	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Strategic Commissions	25,000	0	0	(25,000)	(25,000)	0	0
Strategic Partnerships MoU's	0	0	0	0	0	0	0
Other Operating Costs - Staffing Costs	52,000	41,017	52,000	0	0	0	0
Advocate Total	77,000	41,017	52,000	(25,000)	(25,000)	0	0
Lead	Full Year Budget 2023/24*	Actual Expenditure up to 31 January 2024	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)	Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Acceleration or Programme Slippage to be transferred to Solent LEP Legacy	New funding from / (Funding to be handed back to) Government
	£	£	£	£	£	£	£
Solent 2050	100,000	74,523	100,000	0	0	0	0
Solent Summit	0	0	50,000	50,000	50,000	0	0
Other Operating Costs - Staffing Costs	225,000	199,584	225,000	0	0	0	0
Other Operating Costs - Office costs	45,000	17,962	45,000	0	0	0	0
Contingency	200,000	0	50,000	(150,000)	0	(150,000)	0
Lead Total	570,000	292,068	470,000	(100,000)	50,000	(150,000)	0

Collaborate	Full Year Budget 2023/24*	Actual Expenditure up to 31 January 2024	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)
	£	£	£	£
Business Development	0	0	0	0
Stakeholders Engagement / Marketing & Communications	165,000	102,240	140,000	(25,000)
Greenprint Conference UoS	50,000	49,610	50,000	0
LEP Network	3,500	3,500	3,500	0
Devolution Works	0	0	0	0
Other Operating Costs - Staffing Costs	85,000	59,328	85,000	0
Collaborate Total	303,500	214,679	278,500	(25,000)

Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Acceleration or Programme Slippage to be transferred to Solent LEP Legacy	New funding from / (Funding to be handed back to) Government
£	£	£
0	0	0
(25,000)	0	0
0	0	0
0	0	0
0	0	0
0	0	0
(25,000)	0	0

Deliver	Full Year Budget 2023/24*	Actual Expenditure up to 31 January 2024	Full Year Forecast and Proposed Revised Budget	Full Year Variance as at 31 March 24 Over / (Underspend)
	£	£	£	£
SME Support	0	(29,995)	(29,995)	(29,995)
SME Support Fund - Earmarked for Solent Freeport	0	0	0	0
Natural Enterprise Grant Programme	0	(4,786)	(4,786)	(4,786)
Local Growth Deal:				
North Whiteley Transport Improvements	1,245,507	0	1,245,507	0
UoS - Web Science (Z21)	0	(557)	(557)	(557)
Centenary Quay	0	0	0	0
A326 Highway Improvements	(1,627,740)	0	(1,627,740)	0
IOW Island Line - Brading Loop	(178,200)	0	(178,200)	0
COVID-19 Loan Fund	0	0	0	0
Stubbington Bypass	849,974	849,974	849,974	0
Stubbington Bypass Programme Management Costs	2,874	2,356	2,874	0
Getting Building Fund:				
Port of Southampton Cruise Terminal	0	11,500	11,500	11,500
Fawley Waterside Digital	0	0	0	0
Branstone Farm Rural Employment Hub	0	0	0	0
Loan Funding Programmes:				
Growing Places Loan Fund : Capital Allocation (Split out for projects)	0	0	0	0
Growing Places Loan - Earmarked for Solent Freeport Projects	0	0	0	0
Growing Places Loan Fund Programme Management Costs	25,000	17,560	25,000	0
Solent Prosperity Loan Fund (Split out for Projects)	0	0	0	0
Solent Prosperity Loan Fund Programme Management	20,000	18,764	20,000	0
LGD / GBF Recycled Loans (Split out for Projects)	0	0	0	0
LGD / GBF Recycled Loans Programme Management	35,000	28,213	35,000	0
Building Foundations for Growth Capital Grant for EZ	0	0	0	0
Other Operating Costs - Programme Management	135,000	104,836	135,000	0
Other Operating Costs - Finance / HR / Dem Services	90,000	111,041	120,000	30,000
Other Operating Costs - Legal Support	60,000	56,501	70,000	10,000
Deliver Total	657,415	1,165,407	673,577	16,162

Acceleration or Programme Slippage to be transferred to Solent Partners 2024/25	Acceleration or Programme Slippage to be transferred to Solent LEP Legacy Funding 2024/25	New funding from / (Funding to be handed back to) Government
£	£	£
0	(29,995)	0
0	0	0
0	(4,786)	0
0	0	0
0	(557)	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	11,500	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	30,000	0
0	10,000	0
0	16,162	0

Total Corporate Plan Budget	5,192,792	3,001,361	4,289,665	(903,127)	(710,275)	(134,354)	(58,498)
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\* As agreed at LEP Board 08 December 2023

SOLENT LEP LEGACY FUNDING TO 2025/26

CONTRACTED CORE FUNCTIONS	Budget 2024/25	Budget 2025/26	Total Budget
Solent Growth Hub	0	0	0
Enterprise Adviser Network	222,247	0	222,247
Skills Advisory Panels	0	0	0
LEP Network	0	0	0
<u>Local Growth Deal:</u>			
SME Support	0	0	0
Natural Enterprise Grant Programme	0	0	0
North Whiteley Transport Improvements	1,374,180	0	1,374,180
UoS - Web Science (Z21)	0	0	0
Centenary Quay	0	0	0
A326 Highway Improvements*	2,510,900	0	2,510,900
IOW Island Line - Brading Loop*	0	0	0
COVID-19 Loan Fund	0	0	0
Stubbington Bypass	0	0	0
Stubbington Bypass Programme Management Costs	0	0	0
Local Growth Deal Programme Management Costs	0	0	0
<u>Getting Building Fund:</u>			
Port of Southampton Cruise Terminal*	(11,500)	0	(11,500)
Fawley Waterside Digital*	0	0	0
Branstone Farm Rural Employment Hub*	0	0	0
<u>Loan Funding Programmes:</u>			
Growing Places Loan Fund Programme Management Costs	0	0	0
Solent Prosperity Loan Fund Programme Management	0	0	0
LGD / GBF Recycled Loans Programme Management	56,086	88,000	144,086
<u>Ongoing Integration Liabilities</u>			
Other Operating Costs - Finance / HR / Dem Services	90,000	0	90,000
Other Operating Costs - Legal Support	60,000	0	60,000
Staffing Liabilities	170,000	0	170,000



## APPENDIX B1

<b>Contracted Core Functions Total</b>	<b>4,471,913</b>	<b>88,000</b>
		<b>4,559,913</b>
<b>UNALLOCATED FUNDING PROPOSED FOR DISAGGREGATION</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>
Growing Places Loan Fund : Capital Allocation	13,709,945	0
Solent Prosperity Loan Fund	4,247,609	0
SME Support	805,585	0
LGD / GBF Recycled Loans	4,500,000	0
SME Support Fund - Earmarked for Solent Freeport	1,000,000	0
Interest earned on balances held / Due from existing loans	2,061,118	0
Interest earned on balances held - Carry Fwd of 23/24 underspends	60,553	0
Building Foundations for Growth Capital Grant for EZ	417,783	0
<b>Current Funding Proposed for Disaggregation Total</b>	<b>26,802,593</b>	<b>0</b>
		<b>26,802,593</b>
<b>SOLENT LEP BUDGET GRAND TOTAL</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>
	<b>31,274,506</b>	<b>88,000</b>
		<b>31,362,506</b>
<b>SOLENT LEP FUNDING SUMMARY</b>	<b>Budget 2024/25</b>	<b>Budget 2025/26</b>
Growing Places Fund - Capital	13,709,945	-
Local Growth Deal	6,173,326	-
DfT Funding for Retained Schemes	3,764,948	-
LGD Loan recycled funding	2,653,043	44,000
Getting Building Fund	(11,500)	-
Getting Building Fund - Recycled Loan Funding	1,903,043	44,000
The Careers & Enterprise Co. - Enterprise Adviser Network	150,950	-
Enterprise Advice Network - Matched Funding (Interest Earned)	43,429	-
External Contributions towards CEC Staff	27,867	-
Solent Growth Hub - BEIS	-	-
Skills Advisory Panel	-	-
Interest earned on funding yet to pay out	2,389,171	-
Interest earned RRR Loans	52,500	-
Enterprise Zone Capital Grant	417,783	-

## APPENDIX B1

<b>Solent LEP Total - Funding</b>
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<b>31,274,505</b>	<b>88,000</b>
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<b>31,362,505</b>
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<b>*2022/23 Accruals on Local Growth Deal and Getting Building Fund Schemes</b>
A326 Highway Improvements
IOW Island Line - Brading Loop
Port of Southampton Cruise Terminal
Fawley Waterside Digital
Branstone Farm Rural Employment Hub
<b>Total</b>

<b>Amount Accrued</b>	<b>Accrual Defrayed to Date</b>
1,720,583	-
416,800	-
1,200,000	-
112,500	112,500
1,059,403	-
<b>4,509,286</b>	<b>112,500</b>

SOLENT PARTNERS CORPORATE PLAN FORECAST TO 2025/26					
CONNECT	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Digital Skills Partnership	11,775	0	11,775	11,775	-
DfE Skills Bootcamps 2023/24	722,000	0	722,000	722,000	-
DfE Skills Bootcamps 2024/25	1,909,000	0	1,909,000	1,909,000	-
Maritime Innovation Hub - Operational Costs	129,900	98,300	228,200	228,200	-
Maritime Innovation Hub - Capital Fit Out Works	630,000	0	630,000	630,000	-
Maritime Innovation Hub - Capital SME Fund	497,501	0	497,501	497,501	-
Solent Cluster	152,220	0	152,220	152,220	-
Solent Cluster - Capacity Future Years	0	0	0	0	-
Maritime UK Solent	168,068	0	168,068	168,068	-
Underwrite of Maritime UK Solent Funding	0	0	0	0	-
Creative and Cultural	0	0	0	0	-
<b>Connect Total</b>	<b>4,220,464</b>	<b>98,300</b>	<b>4,318,764</b>	<b>4,318,764</b>	<b>0</b>
ADVOCATE	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Strategic Commissions	0	0	0	0	-
Strategic Partnerships MoU's	0	0	0	0	-
Other Operating Costs - Staffing Costs	0	0	0	0	-
<b>Advocate Total</b>	<b>0</b>	<b>0</b>			<b>0</b>
LEAD	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Solent 2050	0	0	0	0	-
Solent Summit	0	0	0	0	-
Other Operating Costs - Staffing Costs	86,000	0	86,000	86,000	-
Other Operating Costs - Office costs	0	0	0	0	-
Contingency	0	0	0	0	-
<b>Lead Total</b>	<b>86,000</b>	<b>0</b>	<b>86,000</b>	<b>86,000</b>	<b>0</b>
COLLABORATE	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Business Development	0	0	0	0	-

Stakeholders Engagement / Marketing & Communications	25,000	0	25,000	25,000	-
Greenprint Conference UoS	0	0	0	0	-
Devolution Works	0	0	0	0	-
Other Operating Costs - Staffing Costs	0	0	0	0	-
<b>Collaborate Total</b>	<b>25,000</b>	<b>0</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>

DELIVER	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
Borough Council Grant Programmes	0	0	0	0	-
Ryde Town Fund	35,000	0	35,000	35,000	-
Other Operating Costs - Programme Management	0	0	0	0	-
Other Operating Costs - Finance / HR / Dem Services	0	0	0	0	-
Other Operating Costs - Legal Support	0	0	0	0	-
<b>Deliver Total</b>	<b>35,000</b>	<b>0</b>	<b>35,000</b>	<b>35,000</b>	<b>0</b>

SOLENT PARTNERS CORPORATE PLAN GRAND TOTAL	Budget 2024/25	Budget 2025/26	Total Budget	Total Forecast Expenditure	Variance
	<b>4,366,464</b>	<b>98,300</b>	<b>4,464,764</b>	<b>4,464,764</b>	<b>0</b>

SOLENT PARTNERS FUNDING SUMMARY	Budget 2024/25	Budget 2025/26	Total Budget
<u>Solent Partners:</u>			
Getting Building Fund	727,501	-	727,501
Solent Freeport (MIH)	400,000	-	400,000
Solent Freeport (Executive Support)	30,000	-	30,000
Solent Growth Hub - Other LA's	-	-	-
Core Funding	-	-	-
Digital Skills Partnership Funding (SCC, DCMS, South East LEP, Catalyst South)	11,775	-	11,775
Interest earned on funding yet to pay out	210,900	98,300	309,200
IWC - Ryde Town Fund	35,000	-	35,000
DfE Skills Bootcamps	2,631,000	-	2,631,000
<u>Solent Cluster:</u>			
Solent Cluster Contributions	-	-	-
Innovate UK - Decarbonisation Strategy funding	152,220	-	152,220
<u>Maritime UK Solent:</u>			
Solent LEP (Previous years C/Fwd)	-	-	-
Solent LEP 2023/24	168,068	-	168,068
<b>Solent Partners Total - Funding</b>	<b>4,366,464</b>	<b>98,300</b>	<b>4,464,764</b>

**29.02.2024**

**Item 4 - Appendix C**

**A confidential report will be considered at the  
meeting**

GROWING PLACES LOAN FUND POSITION														
Fund Activity	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	Total £
Opening Balance	0	(10,064,210)	(5,815,577)	(8,796,125)	(9,887,987)	(11,909,810)	(12,542,271)	(11,865,500)	(14,067,820)	(13,843,063)	(13,734,944)	(13,709,944)	0	
Initial Capital Injection	(16,739,210)													(16,739,210)
Loans Out (Round 1 - tranches 1 to 4):														
CEMAST	2,175,000	825,000												3,000,000
Solent EZ Infrastructure package	4,500,000	3,500,000												8,000,000
Griffon Hoverwork		1,000,000	1,000,000											2,000,000
Project Management		73,633	544,452	108,138	103,177	167,539	676,771	997,680	224,757	108,119	25,000	0	0	3,029,266
GPL Earmarked to support Freeport projects														0
GPL - Prosperity Fund Loans														0
GPL - SME Loans														0
Recycled Loan Funds available for Disaggregation												13,709,944	0	13,709,944
Total: Contingency Provisions and Growing Places Loan Programme Management Costs	6,675,000	5,398,633	1,544,452	108,138	103,177	167,539	676,771	997,680	224,757	108,119	25,000	13,709,944	0	29,739,210
Loans repaid (Capital Receipts)														
Round 1														
CEMAST		(300,000)	(575,000)	(800,000)	(1,325,000)									(3,000,000)
Solent EZ Infrastructure package		(850,000)	(3,950,000)					(3,200,000)						(8,000,000)
Griffon Hoverwork				(400,000)	(800,000)	(800,000)	0							(2,000,000)
Solent Build Back Greener Loan Fund														0
	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	0	0	0		(13,000,000)
Sub-total: Total Planned Fund Repayments	0	(1,150,000)	(4,525,000)	(1,200,000)	(2,125,000)	(800,000)	0	(3,200,000)	0	0	0	0	0	(13,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE		(5,815,577)	(8,796,125)	(9,887,987)	(11,909,810)	(12,542,271)	(11,865,500)	(14,067,820)	(13,843,063)	(13,734,944)	(13,709,944)	0	0	

Note: This a revolving fund which will continue to be recycled post 2024/25

LOCAL GROWTH DEAL LOAN FUND POSITION														
Fund Activity	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	Total £
Opening Balance								0	0	(343,500)	(1,210,412)	(1,766,120)	205,999	
Covid-19 Loan Fund Allocation								(2,425,000)	(325,000)					(2,750,000)
T-Level Fund Allocation									(420,000)	420,000				0
Solent Freeport SME Loan Fund Allocation												(1,000,000)		(1,000,000)
Projects Funded														
Vectis Ventures								1,500,000						1,500,000
Greenclose Holdings								925,000	325,000					1,250,000
Solent Freeport SME Loan Fund												1,000,000		1,000,000
Recycled Loan Funds available for Disaggregation									0	0	0	2,625,000		2,625,000
Programme Management costs										35,456	17,500	28,043	44,001	125,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	2,425,000	325,000	35,456	17,500	3,653,043	44,001	6,500,000
Loans repaid (Capital Receipts)														
Vectis Ventures									(187,500)	(562,500)	(250,000)	(250,000)	(250,000)	(1,500,000)
Greenclose Holdings									(156,000)	(339,868)	(323,208)	(430,924)		(1,250,000)
Solent Build Back Greener Loan Fund														0
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	(343,500)	(902,368)	(573,208)	(680,924)	(250,000)	(2,750,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								0	(343,500)	(1,210,412)	(1,766,120)	205,999	0	

Note: This a revolving fund which will continue to be recycled post 2024/25

GETTING BUILDING FUND LOAN FUND POSITION														
Fund Activity	2013/14 £	2014/15 £	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	Total £
Opening Balance								0	(2,000,000)	0	(464,543)	(1,447,043)	(44,000)	
Initial Allocation								(2,000,000)						(2,000,000)
Projects Funded														
HIWWT - Nutrient Mitigation Programme									2,000,000					2,000,000
Recycled Loan Funds available for Disaggregation												1,875,000		1,875,000
Programme Management Costs										35,457	17,500	28,043	44,000	125,000
Sub-total: Loans Advanced	0	0	0	0	0	0	0	0	2,000,000	35,457	17,500	1,903,043	44,000	4,000,000
Loans repaid (Capital Receipts)														
HIWWT - Nutrient Mitigation Programme										(500,000)	(1,000,000)	(500,000)		(2,000,000)
Sub-total: Total Planned Fund Repayments	0	0	0	0	0	0	0	0	0	(500,000)	(1,000,000)	(500,000)	0	(2,000,000)
TOTAL CUMULATIVE BALANCE OF FUND AVAILABLE								(2,000,000)	0	(464,543)	(1,447,043)	(44,000)	0	

Note: This a revolving fund which will continue to be recycled post 2024/25

SOLENT LOCAL ENTERPRISE PARTNERSHIP - LOCAL GROWTH DEAL FUNDING BY SCHEME (INCLUDING DfT RETAINED SCHEME FUNDING)											
SCHEME NAME	Actual 2015/16	Actual 2016/17	Actual 2017/18	Actual 2018/19	Actual 2019/20	Actual 2020/21 *	Actual 2021/22 **	Actual 2022/23 ***	Budget 2023/24	Budget 2024/25	Total Budget
Solent Growth Fund (Growth deal - 2015/16 to 2021) / - SME Support from Solent Prosperity Fund (	355,932	1,405,872	380,283	984,025	1,119,607	177,460	-	-	(5,343)	-	4,417,836
SME Support (COVID-19 priorities)	-	-	-	-	-	-	361,604	149	(29,995)	-	331,758
SME Support Fund - Earmarked for Solent Freeport	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000
Solent Growth Fund (Growth deal - 2015/16 to 2021) - Programme Management	150,500	149,500	179,150	141,198	141,014	143,852	-	-	-	-	905,214
The Hard Interchange (PCC)	4,832,000	-	-	-	-	-	-	-	-	-	4,832,000
Dunsbury Hill Farm Link Road (PCC)	4,540,000	-	-	-	-	-	-	-	-	-	4,540,000
Station Quarter North (SCC)	4,185,000	-	-	-	-	-	-	-	-	-	4,185,000
Station Roundabout / Gudge Heath Lane (HCC)	2,065,000	2,888,893	-	-	-	-	-	-	-	-	4,953,893
Cancer Immunology Centre	4,500,000	-	-	-	-	-	-	-	-	-	4,500,000
Environmental Mitigation - Solent Mitigation Disturbance project	1,355,000	-	-	-	-	-	(390,000)	-	-	-	965,000
Eastleigh College Estates Renewal	6,810,000	2,190,000	-	-	-	-	-	-	-	-	9,000,000
IOW College Composites Centre	5,400,000	5,500,000	-	-	-	-	-	-	-	-	10,900,000
Capitalisation Costs for Solent Growth Deal Programme Management and Capacity funding	300,000	344,997	372,762	431,543	274,794	183,281	177,492	131,391	-	-	2,216,260
Peel Common Roundabout and St Margarets Roundabout	4,340,000	-	-	-	-	-	-	-	-	-	4,340,000
Newgate Lane South	-	6,072,571	2,927,429	-	-	(500,000)	-	-	-	-	8,500,000
Fareham and Gosport multiyear programme (A27 Dualling - phase 2)	-	3,198,000	-	-	-	-	-	-	-	-	3,198,000
Fareham and Gosport multiyear programme (A27 Dualling)	-	4,127,000	-	-	-	(170,000)	-	-	-	-	3,957,000
Solent Gateways (Isle of Wight Floating Bridge)	-	3,776,782	-	-	-	-	-	-	-	-	3,776,782
Innovation Fund - Fareham Innovation Centre - Phase 2	-	2,000,000	-	-	-	-	-	-	-	-	2,000,000
Innovation Fund - Programme Management Costs	-	75,000	134,544	28,975	-	-	-	-	-	-	238,519
Innovation Fund - BAE Maritime and Test Bed	-	456,633	-	-	-	(456,633)	-	-	-	-	0
Innovation Fund - Future Technology Centre (University of Portsmouth)	-	1,050,000	-	-	-	-	-	-	-	-	1,050,000
Contribution to BAE Employer Ownership Programme Scheme	-	129,000	-	-	-	-	-	-	-	-	129,000
National Maritime Systems Centre	-	-	1,679,334	-	-	3,320,666	-	-	-	-	5,000,000
Local Large Major transport schemes and infrastructure investment	-	-	339,497	24,220	-	-	-	-	-	-	363,717
BAE Marine Workshops and Marine Support Centre	-	943,066	-	-	-	-	-	-	-	-	943,066
Stubbington Bypass - LGD	-	3,500,000	-	-	3,500,000	1,500,000	-	-	-	-	8,500,000
Stubbington Bypass - LGD (DfT retained)	-	-	-	-	-	9,788,220	14,033,331	827,475	849,974	-	25,499,000
Stubbington Bypass - programme management costs	-	-	-	-	-	138,872	44,044	15,210	2,874	-	201,000
Fareham College - Civil Engineering Training Centre	-	-	-	-	2,402,418	425,693	-	-	-	-	2,828,111
Southampton Solent University - Warsash School of Maritime Science and Engineering	-	-	2,300,000	4,044,570	1,119,630	-	-	-	-	-	7,464,200
North Whiteley	-	-	-	-	1,905,280	7,147,948	1,721,018	606,067	1,245,507	1,374,180	14,000,000
A326 Highway Improvements	-	-	-	-	-	0	2,563,352	2,233,488	(1,627,740)	2,510,900	5,680,000
IOW Island Line - Brading Loop	-	-	-	-	-	595,000	0	-	(178,200)	-	416,800
University of Portsmouth - Centre for Creative and Immersive XR	-	-	-	-	-	3,617,561	-	-	-	-	3,617,561
Southsea Coastal Defences	-	-	-	-	-	5,000,000	-	-	-	-	5,000,000
ABP - Shore Power Initiative	-	-	-	-	-	4,434,350	-	-	-	-	4,434,350
COVID-19 Loan Fund	-	-	-	-	-	2,425,000	325,000	-	-	-	2,750,000
Fareham College FE Capital Transformation Loan	-	-	-	-	-	-	-	-	-	-	0
M27 J10 - original business case development (LGD - DfT retained)	-	-	-	2,150,000	2,500,000	-	-	-	-	-	4,650,000
M27 J10 - business case progression	-	-	-	0	0	429,814	470,186	-	-	-	900,000
Solent Prosperity Loan Fund	-	-	-	-	-	-	-	-	20,000	-	20,000
Solent LEP Disaggregation of Funding	-	-	-	-	-	-	-	-	-	5,053,194	5,053,194
SUB-TOTALS:	38,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	277,077	9,938,274	177,257,261
LGD funding committed / approved or indicatively earmarked across future years		-			-						0
TOTAL EXPENDITURE ON APPROVED LOCAL GROWTH DEAL SCHEMES	38,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	277,077	9,938,274	177,257,261
Accountable Body Capital Expenditure (Funded by LGD to maximise use of LGD)	1,000,000		-	-	-	-	-	-	-	-	1,000,000
TOTAL UTILISATION OF LOCAL GROWTH DEAL	39,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	277,077	9,938,274	178,257,261
FUNDING AGREED / INDICATIVE ALLOCATIONS											
Solent Growth Deal Funding - received	40,391,667	42,640,334	24,302,028	10,817,860	9,252,686	9,252,686	-	-	-	-	136,657,261
DfT Retained funding returned to the LEP	-	-	-	-	-	10,250,000	-	-	-	-	10,250,000
DfT Retained funding - M27 J10 Business Case	-	-	-	2,150,000	2,500,000	-	-	-	-	-	4,650,000
DfT Retained funding - Stubbington Bypass	-	-	-	-	-	9,927,092	14,077,375	842,685	852,848	-	25,700,000
Capital Funding from Accountable Body (Returned)	-	1,000,000	-	-	-	-	-	-	-	-	1,000,000
Funding Slippage / Acceleration	(558,235)	(5,833,020)	(15,989,029)	(5,163,329)	1,210,057	8,771,306	5,228,652	2,971,095	(575,771)	9,938,274	-
TOTALS:	39,833,432	37,807,314	8,312,999	7,804,531	12,962,743	38,201,084	19,306,027	3,813,780	277,077	9,938,274	178,257,261
Variance:	0	0	0	0	0	0	0	0	0	0	0

\* Includes year end accruals made for grant claims received in 20/21 but not paid. £33,335,158 used for Freedoms and Flexibilities due to LGD deadline of 31 March 2021.

\*\* Includes year end accruals made for grant claims received in 21/22 but not paid. Total accruals made £18,105,763

\*\*\* Includes year end accruals made for grant claims received in 22/23 but not paid. Total accruals made £4,599,109



SOLENT LOCAL ENTERPRISE PARTNERSHIP - GETTING BUILDING FUND						
SCHEME NAME	Actual 2020/21 *	Actual 2021/22 **	Actual 2022/23 ***	Budget 2023/24	Budget 2024/25	Total Budget
Port of Southampton Cruise Terminal	6,800,000	1,200,000	-	-	0	8,000,000
Enzyme Recycling Techniques - Building an Industrial Engagement Hub	308,283	541,717	150,000	-	0	1,000,000
Fawley Waterside Digital	-	275,000	475,000	-	0	750,000
Branstone Farm Rural Employment Hub	150,000	1,545,156	529,844	-	0	2,225,000
HIWWT - Nutrient Mitigation Programme	-	2,000,000	-	-	0	2,000,000
University of Southampton - Centre for Electronics Frontiers	-	-	-	-	0	0
Maritime Innovation Hub	-	-	52,498	70,000	1,127,501	1,249,999
Portsmouth International Port - Provision of Border Control Post	-	550,000	-	-	0	550,000
Programme Management	109,761	470,239	-	-	0	580,000
TOTAL UTILISATION OF GETTING BUILDING FUND	7,368,044	6,582,112	1,207,342	70,000	1,127,501	16,354,999
FUNDING AGREED / INDICATIVE ALLOCATIONS						
Getting Building Funding - received	8,005,000	7,950,000	-	-	-	15,955,000
Solent Freeport (MIH)	-	-	-	-	400,000	400,000
Funding Slippage / Acceleration	(636,956)	(1,367,888)	1,207,342	70,000	727,501	(1)
TOTALS:	7,368,044	6,582,112	1,207,342	70,000	1,127,501	16,354,999
Variance:	0	0	0	0	0	0

\* Includes year end accruals made for grant claims received in 20/21 but not paid. All accrued grant claims have now been paid. £636,956 used for Freedoms and Flexibilities.

\*\* Includes year end accruals made for grant claims received in 21/22 but not paid. Total accruals made £2,430,009

\*\*\* £2,004,844 Freedoms and Flexibilities used in 2021/22. Includes year end accruals made for grant claims received in 22/23 but not paid. Total accruals made £2,371,903

**29.02.2024**

**Item 4 - Appendix F**

**A confidential report will be considered at the  
meeting**

**29.02.2024**

**Item 4 - Appendix G**

**A confidential report will be considered at the  
meeting**

**Item:** 5  
**Title:** Internal Audit Update  
**Date:** 29<sup>th</sup> February 2024  
**Purpose:** For information

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**Draft Resolution:**

**FFPMG is asked to:**

- **Note** the progress against plan for Internal Audit activities in 2023/24, as set out in Annex A,
- **Consider** the following PCC Internal Audit reports as set out in Annex B:
  - Risk Management Full Audit
  - Purchase Cards Full Audit

**1. Background**

There is no legal requirement for the Solent LEP to procure internal auditing services, however as the Accountable Body (AB), Portsmouth City Council, is required to 'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes' in accordance with the Accounts and Audit Regulations 2015 Section 5. Solent LEP and PCC signed a Service Level Agreement for the provision of Internal Audit Services. The SLA is periodically reviewed and any changes in the provision of services provided will be included.

**2. Purpose of report**

This report is to inform the FFPMG of the status of the agreed audits and to give a summary of the audits completed since the last reporting period as detailed above (Annex A & B).

**3. Reporting on progress to plan and audits completed since the previous reporting period:**

Two audits have been completed since the previous reporting period and details of the results are contained within Annex B.

**4. Conformance with Public Sector Internal Audit Standards (PSIAS)**

Under PSIAS 1310 there is a requirement that, as part of the quality assurance and improvement programme internal and external assessments (of conformance with the Standards) must be undertaken. Standard 1311 allows for periodic self-assessments, which for Portsmouth City Council has been carried out each year since the standards were introduced.

Standard 1312 require that an external assessment must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation. For 2022/23 an

external assessment was undertaken in agreement with the standards and key individuals within Portsmouth City Council. The results confirm the Internal Audit Service's conformance to PSIAS.

## 5. Summary

Progress has been made to complete the 2023/24 audit plan as noted above.

Further information about any aspects of this report can be obtained from Elizabeth Goodwin (Chief Internal Auditor), or Paul Somerset (Deputy Chief Internal Auditor).

FFPMG members are asked to.

- **Note** the progress against plan for Internal Audit activities for 2023/24 as set out in Annex A,
- **Consider** the following PCC Internal Audit reports as set out in Annex B:
  - Risk Management Full Audit
  - Purchase Cards Full Audit

**29.02.2024**

**Item 5 - Appendix A**

**Internal Audit Reports**

**A confidential report will be considered at the  
meeting**

**29.02.2024**

**Item 5 - Appendix B**

**Internal Audit Reports**

**A confidential report will be considered at the  
meeting**

**Item Number:** 6  
**Item Title:** 2024 / 25 Draft Business Plan and 2023 / 24 Annual Report  
**Meeting Date:** 29 February 2024  
**Purpose:** For Information and Advice

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## 1. Introduction

This report provides FFPMG with updates in relation to the draft process for production of the 2024/25 Business Plan and 2023/24 Annual Report.

## 2. Recommendations

It is recommended that FFPMG:

- **Consider** and provide **Advice** to the Executive on the Draft Business Plan 2024/25.
- **Consider** and provide **Advice** to the Executive on the Draft Annual Report 2023/24.

## 3. Consideration of the draft 2024/25 Business Plan

As part of the assurance monitoring process, the LEP has been required to publish an annual delivery plan. In future, it is good practice for Solent Partners to replicate this with an annual business plan. Due to the changing nature of the business from Solent LEP moving towards Solent Partners, the 2023/24 delivery plan is part of the 2023/24 Corporate Plan for Solent Partners and can be viewed [here](#).

Planning work has commenced in relation to the Solent Partners 2024/5 Business Plan. The content is still fluid and the attached contents at Appendix A gives an indication of its structure. The detail behind each section is being development, and it is expected section 4 will mirror the tables setting out activity for the year as in previous delivery plans. There will be some flexibility to respond to changing economic circumstances, and be responsive to local need in addition to the known activities.

The Business Plan focusses on the five strategic objectives of the Solent Partners Corporate Plan as follows:

- Connect
- Advocate
- Lead
- Collaborate
- Deliver

A final area focusses on legacy core-funded LEP work which is subject to non-disaggregated funding.

The LEP Executive would welcome any feedback or advice in relation to the format and/or specific areas of content for the 2024/25 Business Plan to inform its preparation ahead of its final sign off by the Solent Partners Group Director - Corporate Services and Operations, in consultation with the Solent Partners Chair and Accountable Body.

## 4. Consideration of the draft 2023/24 Annual Report

As part of the assurance monitoring process, the LEP is required to publish an annual report at the beginning of each financial year. A copy of the Solent LEP 2022/23 Annual Report is [available here](#) for reference.



Planning work has commenced in relation to preparation of the 2023/24 annual report and, in terms of format, it is proposed that the annual report will draw on the design and structure agreed for the previous recent versions, subject to content changes to reflect the revised priorities established by the Solent LEP as part of Solent 2050. In summary, the report would take the following content structure:

- Foreword / Introduction
- Executive Summary / Solent LEP 2023/24 at a glance
- Solent 2050
- A world-leading marine and maritime economy
- Pioneering approaches to climate change adaptation and decarbonisation
- The UK's capital of coastal renaissance
- A thriving visitor, creative and cultural economy
- Developing a world-class talent base
- An outstanding business environment
- Health and wellbeing at the heart of economic success
- Solent LEP Board, Values and Governance
- Financial Forecasts and Project Dashboard

A draft Annual Report will be brought forward for consideration to a future FFPMG meeting to ensure feedback can be provided ahead of formal review and sign-off by the LEP Board for publication during quarter one. In the interim to this, the LEP Executive would welcome any feedback or advice in relation to the format and/or specific areas of content for the 2023/24 Annual Report to inform its preparation.

## 5. Summary of Recommendations

It is recommended that FFPMG:

- **Consider** and provide **Advice** to the Executive on the Draft Business Plan 2024/25.
- **Consider** and provide **Advice** to the Executive on the Draft Annual Report 2023/24.

## 6. Equality impact assessment

EIA not required for information and advice items.

## 7. Legal implications

There are no legal implications arising directly from the recommendations in this report.

## 8. Financial comments from the S151 Officer of the Accountable Body

There are no specific financial implications arising from this report

## 9. Further advice

Should LEP Board members have any questions relating to this paper, please contact Richard Jones in advance of the FFPMG meeting: [richard.jones@solentlep.org.uk](mailto:richard.jones@solentlep.org.uk) / 023 9283 4893.

**Appendix A Solent Partners  
Business Plan 2024/25  
Outline content**

Section 1:

- Foreword by the Chair, Solent Partners
- the context of Solent Partners, ambition and early achievements

Section 2:

- The Solent and updated Solent economic profile

Section 3:

- Our Missions and how these reflect the overall strategic objectives of Solent 2050
- Connect, Advocate, Lead, Collaborate, Deliver

Section 4:

- Outline of planned work for the coming year, set out to show how each of Solent Partners' strategic objectives (Connect, Advocate, Lead, Collaborate, Deliver) will be delivered, detailing:
  - Objective
  - Activity
  - Outputs and Milestones

Section 5:

- Our Values: Ambitions, Courageous, Transparent

Section 6:

- Legacy core-funded LEP work subject to non-disaggregated funding

Section 7:

- Our Board
- Governance
- Local Economic Board
- Working with Southampton City Council, Portsmouth City Council and the Isle of Wight Council

Section 8:

- Financial information
- Funding streams